

INFO	LOG-00	AIT-03	ACQ-00	CIAE-00	DODE-00	SRPP-00	EB-00
	VC-00	TEDE-00	INR-00	IO-00	L-00	VCE-00	AC-01
	NSAE-00	NSCE-00	OIC-02	OMB-01	PA-00	PM-00	PRS-00
	ACE-00	P-00	SP-00	SS-00	STR-00	TRSE-00	T-00
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 FM AMEMBASSY BEIJING
 TO SECSTATE WASHDC PRIORITY 2391
 INFO AIT TAIPEI PRIORITY 4272
 AMEMBASSY SEOUL
 AMCONSUL SHANGHAI
 AMCONSUL SHENYANG
 AMCONSUL GUANGZHOU
 AMCONSUL HONG KONG 711
 JICPAC HONOLULU HI
 USCINPAC HONOLULU HI
 AMEMBASSY TOKYO
 ZEN/AMCONSUL CHENGDU

C O N F I D E N T I A L SECTION 01 OF 02 BEIJING 003947

E.O. 12958: DECL: 04/03/13
 TAGS: [PREL](#) [PGOV](#) [CH](#) [TW](#)
 SUBJECT: TAIWAN: CHINA'S NEW LEADERSHIP TO CONTINUE
 "MODERATE" APPROACH

REF: BEIJING 3082

(U) CLASSIFIED BY POLITICAL MINISTER COUNSELOR JON
 ALOISI. REASONS: 1.5 (B/D).

SUMMARY

¶1. (C) A PROMINENT PRC ANALYST TOLD US HE EXPECTS BEIJING'S POLICY TOWARD TAIWAN TO SHOW CONTINUITY, WITH THE NEW LEADERSHIP CONTINUING TO PURSUE A RELATIVELY MODERATE APPROACH FOCUSED ON DEVELOPING ECONOMIC AND OTHER UNOFFICIAL LINKS. OUR CONTACT SUGGESTED THAT THE IMPORTANCE OF HU JINTAO'S MARCH 11 SPEECH TO THE NPC TAIWAN DELEGATION WAS THE WAY HE PACKAGED TOGETHER A NUMBER OF MODERATE POINTS, EACH OF WHICH HAD BEEN MADE BEFORE BUT SEPARATELY RATHER THAN TOGETHER. BASED ON HIS ANALYSIS OF TAIWAN'S POLITICAL DYNAMICS, THE ANALYST WAS PESSIMISTIC ABOUT THE NEAR-TERM PROSPECTS FOR OPENING DIRECT CROSS-STRAIT TRANSPORTATION LINKS. HIS THINKING CLOSELY TRACKS WITH THAT OF OTHER KNOWLEDGEABLE EMBASSY CONTACTS. END SUMMARY.

¶2. (C) GUO ZHENYUAN, SENIOR RESEARCH FELLOW AT THE MFA-AFFILIATED CHINA INSTITUTE OF INTERNATIONAL STUDIES, RECENTLY DISCUSSED WITH US CROSS-STRAIT DEVELOPMENTS, INCLUDING THE TAIWAN POLICY OF BEIJING'S NEW LEADERSHIP. GIVEN PRC POLITICAL DYNAMICS, GUO EXPLAINED, THERE WILL BE A HIGH DEGREE OF CONTINUITY IN POLICY TOWARD TAIWAN DESPITE THE CHANGE IN LEADERSHIP. IN ONE SENSE, PARTY GENERAL SECRETARY HU JINTAO'S MARCH 11 "IMPORTANT SPEECH" ON TAIWAN POLICY TO THE NATIONAL PEOPLE'S CONGRESS "TAIWAN DELEGATION" CONTAINED NOTHING NEW, GUO SAID. EACH OF THE POINTS MADE BY HU HAS BEEN STATED SEPARATELY IN THE PAST BY VARIOUS CHINESE LEADERS AND OFFICIALS. WHAT IS SPECIAL ABOUT HU'S MARCH 11 REMARKS, GUO STRESSED, IS THE WAY HE PACKAGED TOGETHER FOR THE FIRST TIME WHAT ARE BEING CALLED THE "FOUR POINTS" AND "THREE WHATEVERS" OF HIS TAIWAN POLICY.

¶3. (U) ACCORDING TO PRESS REPORTS, DURING HIS MARCH 11 REMARKS HU JINTAO DISCUSSED "TAIWAN WORK UNDER THE NEW CIRCUMSTANCES." HU'S "FOUR POINTS" ARE:

-- ALWAYS ADHERE TO THE ONE-CHINA PRINCIPLE;

-- SPARE NO EFFORTS TO PROMOTE ECONOMIC AND CULTURAL EXCHANGES ACROSS THE TAIWAN STRAIT;

-- FURTHER IMPLEMENT THE PRINCIPLE OF PLACING HOPES ON THE TAIWAN PEOPLE; AND,

-- UNITE COMPATRIOTS ON BOTH SIDES OF THE TAIWAN STRAIT TO JOINTLY PUSH FORWARD THE GREAT REJUVENATION OF THE CHINESE NATION.

ACCORDING TO HU'S "THREE WHATEVERS," BEIJING SHOULD SPARE NO EFFORT IN DOING WHATEVER BENEFITS:

-- THE INTERESTS OF THE TAIWAN PEOPLE;

-- THE UNIFICATION OF THE MOTHERLAND; AND,

-- THE "GREAT REJUVENATION" OF THE CHINESE NATION.

¶4. (C) IN HIS FIRST MAJOR STATEMENT ON TAIWAN POLICY, HU CLOSELY FOLLOWED AND ENDORSED THE LINE SET BY JIANG ZEMIN, BUT ALSO PUT HIS PERSONAL STAMP ON POLICY BY PACKAGING HIS MESSAGE IN A NEW WAY. CHINESE MEDIA CHARACTERIZED HU'S REMARKS AS MODERATE AND CONCILIATORY, FOCUSING ON POSITIVE THEMES SUCH AS INCREASING ECONOMIC AND CULTURAL EXCHANGES, HELPING TAIWAN INVESTORS, PROMOTING DIRECT TRANSPORTATION LINKS, AND EXCHANGING VIEWS WITH PARTIES AND PERSONALITIES IN VARIOUS CIRCLES FROM TAIWAN. ACCORDING TO GUO, THE MODERATION EVIDENT IN HU'S REMARKS WAS A GOODWILL GESTURE TO TAIWAN. IN ONE PHRASE EMPHASIZING THE SHARED INTERESTS OF TAIWAN AND THE MAINLAND, HU STATED THAT "CHINA BELONGS TO COMPATRIOTS ON BOTH SIDES OF THE STRAIT AND IS OUR COMMON HOMELAND." PREMIER WEN JIABAO ECHOED THE SAME THEME IN HIS MARCH 19 PRESS CONFERENCE (REFTEL), QUOTING A POEM IN WHICH A DECEASED KMT VETERAN HAD DESCRIBED HIS LONGING FOR HIS HOMETOWN ON THE MAINLAND.

¶5. (C) GUO ACKNOWLEDGED OUR OBSERVATION THAT HU JINTAO NOW APPEARS TO BE IN CHARGE OF TAIWAN POLICY AND THAT ZENG QINGHONG ALSO SEEMS TO HAVE A PROMINENT ROLE. GUO VOLUNTEERED THAT JIANG ZEMIN IS STILL INFLUENTIAL ON THE ISSUE. WHEN ASKED ABOUT OFFICIALS BELOW THE TOP LEADERSHIP INVOLVED IN TAIWAN AFFAIRS, GUO CITED STATE COUNCIL TAIWAN AFFAIRS OFFICE (TAO) DIRECTOR CHEN YUNLIN, ADDING THAT HE HAD NOT HEARD OF ANY CHANGES BEING MADE IN THE TAO LINEUP. COMMENT: GUO'S REMARKS TRACK GENERALLY WITH RECENT PRESS REPORTS THAT SUGGEST HU JINTAO AND ZENG QINGHONG HAVE SUCCEEDED JIANG ZEMIN AND QIAN QICHEN AS DIRECTOR AND DEPUTY DIRECTOR OF THE PARTY CENTRAL COMMITTEE'S TAIWAN AFFAIRS LEADING GROUP. OTHER KNOWLEDGEABLE EMBASSY CONTACTS ALSO AGREE ON THIS LINEUP. END COMMENT.

¶6. (C) GUO WAS PESSIMISTIC ABOUT THE PROSPECTS FOR A BREAKTHROUGH ON THE OPENING OF DIRECT CROSS-STRAIT TRANSPORTATION LINKS PRIOR TO THE MARCH 2004 TAIWAN PRESIDENTIAL ELECTION. ACCORDING TO GUO'S ANALYSIS, CHEN SHUI-BIAN IS UNLIKELY TO OPEN DIRECT LINKS AT THIS TIME BECAUSE HE CALCULATES THE MOVE WOULD COST HIM POLITICAL SUPPORT FROM "INDEPENDENCE FUNDAMENTALISTS," WHILE CREDIT WOULD GO TO OPPOSITION POLITICIANS RATHER THAN HIMSELF. GUO SUGGESTED THAT IT IS STILL TOO EARLY TO PREDICT ELECTION TRENDS AND THAT, AS INCUMBENT PRESIDENT, CHEN SHUI-BIAN IS STRONGER POLITICALLY THAN IN 2000. IF THE LIEN/SOONG TICKET WINS, GUO PREDICTED, CROSS-STRAIT RELATIONS WOULD BE MORE STABLE BECAUSE LIEN WOULD BE MORE POSITIVE TOWARD DIRECT LINKS. GUO ALSO STATED THAT LIEN "ACCEPTS" THE 1992 CONSENSUS ON ONE CHINA AND PREDICTS HE WOULD NOT, IF ELECTED, SUGGEST COMPETING CONSTRUCTS SUCH AS "ONE COUNTRY ON EACH SIDE."

COMMENT

¶7. (C) THE NEW CHINESE LEADERSHIP WANTS TO KEEP THE CROSS-STRAIT RELATIONSHIP ON ITS CURRENT RELATIVELY STABLE COURSE, HOPING THAT ECONOMIC AND OTHER UNOFFICIAL LINKS WILL WORK TO BRING THE TWO SIDES TOGETHER. RECENT CONCRETE SIGNS OF A RELATIVELY POSITIVE APPROACH BY BEIJING INCLUDE ITS APPROVAL FOR TAIWAN AIRLINES TO FLY

THROUGH PRC AIRSPACE DURING THE IRAQ WAR AND THE PLA'S PUBLIC ACKNOWLEDGEMENT OF THE POSSIBILITY OF WITHDRAWING MISSILES FROM AREAS OPPOSITE TAIWAN. DESPITE ITS RELATIVELY POSITIVE APPROACH, BEIJING REMAINS "VIGILANT" TO TRY TO HEAD OFF POSSIBLE MOVES BY TAIWAN THAT COULD "FORCE" IT TO REACT IN WAYS LIKELY TO HAVE DAMAGING SIDE EFFECTS. SPECIFIC PRC CONCERNS INCLUDE "BREAKTHROUGHS" BY TAIWAN IN MILITARY RELATIONS WITH THE UNITED STATES AND U.S. VISITS BY SENIOR TAIWAN LEADERS. CURRENT CRITICISM OF TAIWAN LEADERS OVER THE PRC'S MISHANDLING OF SARS COULD ALSO SPARK A NEGATIVE REACTION FROM BEIJING, ESPECIALLY IF MAINLAND CRITICS PICK UP THE CALL.

RANDT